

29 NOV 1971

MEMORANDUM FOR: Deputy Director for Support

SUBJECT : Southern Air Transport, Inc.

1. Attached is a paper on Southern Air Transport, Inc. which was prepared in connection with the last [ ] Meeting. It covers most information about the company including background on type of work, finances, profits, etc.

2. I thought you might wish to retain this for your information and reference from time to time.

[ ]  
Special Assistant to the  
Deputy Director for Support

Att.

APPROVED FOR  
RELEASE ☐ DATE:  
24-Sep-2009

SOUTHERN AIR TRANSPORT, INC.

November 1971

## SOUTHERN AIR TRANSPORT, INC.

### Introduction

Southern is one of the eleven surviving Supplemental Air Carriers who hold certificates of public convenience and necessity, issued by the CAB, authorizing them to engage in plane load charter operations with respect to persons and property. Southern's certificates authorize it to conduct charter operations within the United States and between any State of the United States on the one hand and points in the Caribbean and points in the Pacific, Asia and Australia (Transpacific), on the other hand. Six other supplemental carriers also have Caribbean authority namely World Airways, Universal Airlines, Trans International Airlines, Capitol International Airways, Saturn Airways, and Overseas National Airways. Two other Supplemental carriers have Transpacific authority namely World Airways and Trans International Airlines. Southern's certificates authorize worldwide operations under contracts with MAC as do the certificates of all other Supplemental carriers.

Southern has exemption authority to operate charter service with respect to property only between Puerto Rico, the Virgin Islands and other points in the Caribbean. Southern also has an exemption authority to operate charter flights with piston aircraft with respect to property only between the United States on the one hand and Central and South America on the other. Finally, Southern has exemption authority to engage in charter movements of "outsize" cargo worldwide with Lockheed Hercules L00 type aircraft.

Southern's certificate authority to provide charter services in the Caribbean and Transpacific area is up for renewal in the Supplemental Renewal Proceeding. Southern will have an opportunity in that proceeding to seek broader certificate authority. It is anticipated that the hearing in the Supplemental Renewal Proceeding will be held early 1972.

In its supplemental air service, Southern operates seven transport category aircraft consisting of two leased Boeing 727 convertible (passenger and cargo) jet aircraft which are used primarily on Military Airlift Command (MAC) operations in the Far East, two owned Hercules L100-20 and one leased Hercules L100-30 all cargo turbo prop aircraft which are utilized in commercial cargo operations out of Miami throughout the world, and two owned DC-6 A/B piston aircraft one of which is in a convertible (passenger and cargo) configuration and used on MAC missile range operation for MAC out of Patrick Air Force Base and the other of which is in an all cargo configuration and utilized in commercial cargo operations out of Miami in the general Caribbean area.

Southern has CAB authority to engage in Supplemental Air Transportation with respect to "outsize" cargo to any place in the world. Southern also has authority to engage in passenger and property charters in the United States, Caribbean and the Transpacific areas and to engage in piston aircraft cargo charters to Central and South America. Thus Southern has a commercial presence throughout the world. Southern's Hercules L100 aircraft have tail gate loading and unloading for expeditious and easy cargo handling. The Hercules L100 aircraft are capable of making in-flight cargo drops and Southern has crews trained in such procedures.

The typical commercial operation of the L100 aircraft is with a 45,000 pound payload and the range with such payload is 1,600 statute miles. However, with the removal of certain equipment the L100 aircraft can carry 48,000 pounds over the same range and when lightly loaded with approximately 20,000 pounds has a range of approximately 4,000 statute miles. The Boeing 727 aircraft also have drop capabilities out the ventral exit which can be opened in flight and Southern has crews trained in this procedure. The typical capacity and range of the 727 is 105 passengers or 33,000 pounds of cargo with a range of 1,900 statute miles.

Southern has numerous well trained and dedicated employees, most of whom have been with the Company for many years and are well versed in the operation of aviation activities. At April 30, 1971, this staff included 55 management administrative and general office employees, 67 flight personnel, 56 mechanics and technical service personnel, 14 ground operations personnel and 42 traffic personnel. The current employment is approximately the same.

Southern does its own flight training and maintenance at Miami and has the capability for providing such services for others at that location.

Southern has its main headquarters at Miami International Airport where it occupies approximately nine acres of ground on which are constructed its general offices and maintenance operations and supply building consisting of approximately 27,300 square feet of covered space. Southern also has warehouse and office facilities at San Juan, Puerto Rico where two employees are based.

In summary, Southern has extensive worldwide authority, the personnel, facilities and capability to deliver anything any place in the world on short notice and to establish an aviation activity any place in the world. Southern is a viable and going concern with a history of over twenty years continuous service. Southern was purchased by the present stockholders August 5, 1960 together with its sister corporation Actus Technology, Inc. (formerly known as Southern Air Holding Corp.) for \$307,506 at which time it showed a negative net worth of \$14,797. As of September 30, 1971 after ten years of operation the net worth of Southern is \$4,052,898. Of this amount \$1,377,906 is represented by paid-in capital consisting of \$1,105,467 represented by the assets of Foreign Air Transport Development, which were purchased for stock, \$253,989 consisting primarily of DC-4 aircraft and parts, and \$8,457 of donated capital, and \$10,000 original capital stock. The remaining \$2,674,992 of net worth represent earnings over the past ten years after federal income taxes of \$862,060. In addition, Actus has a net worth as of September 30, 1971 of \$71,186.

SOUTHERN AIR TRANSPORT, INC.

Corporate Data

Incorporated

Incorporated under the Laws of Florida on October 31, 1949  
Authorized Capital - 500,000 Shares of \$1 par value stock

Shareholders

400,000 Shares of stock are outstanding and held by Manufacturers Hanover Trust Company in a Custodian Account and are registered in the name of the Bank's nominee, Suydam & Co. pursuant to a Custodian Agreement between the Bank and Messrs. Percival F. Brundage, Perkins McGuire, F. C. Moor and Stanley G. Williams. The Custodian Agreement provides that the Directors are joint tenants with rights of survivorship with respect to the stock and that any two (or one if he is the sole survivor) may add or delete individuals to the Custodian Agreement and may otherwise direct the Bank as to the handing and disposition of the shares. The foregoing form of holding shares was adopted August 5, 1960, which was the date of acquisition by the present owners.

Directors

Chairman  
Member  
Member  
Member

F. C. Moor  
Percival F. Brundage  
Perkins McGuire  
Stanley G. Williams

Officers

~~P~~resident  
Chairman of the Board &  
Treasurer  
Vice President  
Secretary  
Assistant Secretary  
Assistant Secretary  
Assistant Secretary

Stanley G. Williams  
F. C. Moor  
  
James Bierbower  
William R. Gilmore  
William J. Merrigan  
David W. Garber  
Max G. Wells

SOUTHERN AIR TRANSPORT, INC.

Civil Aeronautics Board Authority

Certificates

Southern holds certificates of public convenience and necessity issued by the Civil Aeronautics Board authorizing it to engage in Supplemental Air Transportation with respect to persons and property on charter flights and inclusive tours both within the 50 states and between any state of the United States on the one hand and points in the Caribbean and points in the Pacific, Asia and Australia (Transpacific), on the other hand. Southern's certificates also authorize domestic and worldwide operations under contracts with the USAF Military Airlift Command (MAC).

Southern's certificate for domestic authority became effective May 13, 1966 for an indefinite period, except domestic inclusive tour authority, which was for a five year term. Southern's certificate for Caribbean and Transpacific authority became effective November 26, 1966 and was for a five year term expiring November 26, 1971. Southern's certificate authority for MAC operations is for an indefinite term.

By Order No. 71-10-126, adopted October 26, 1971, the CAB instituted a proceeding to be known as the Supplemental Renewal Proceeding to consider the renewal and modification of the expiring inclusive tour and overseas and foreign authority held by Southern and the other eleven Supplemental Air Carriers. Southern has applied for renewal of its domestic inclusive tour authority and its Caribbean and Transpacific authority, and Southern is entitled under the Administrative Procedure Act and CAB Regulations to continue to operate such services until final disposition by the CAB of such renewal applications in the Supplemental Renewal Proceeding. Southern has also applied for certificate authority covering the Intra-Caribbean and outsize cargo authority it now operates by way of exemption as described below, and upon review of its requirements may apply for additional certificate authority prior to the hearing in the Supplemental Renewal Proceeding.

Exemptions

Southern has an exemption to provide Supplemental Air Transportation with respect to property only on charter flights between Puerto Rico, the Virgin Islands and other points in the Caribbean. This exemption was originally granted February 9, 1968 and expires November 26, 1971. Southern has applied for renewal of this Intra-Caribbean exemption authority and is entitled under the

Administrative Procedure Act and CAB Regulations to continue to operate such services until final disposition by the CAB of such renewal application.

Southern also has an exemption to operate all-cargo charter flights with piston aircraft between the United States on the one hand, and Central and South America, on the other hand. The Central and South America exemption was originally granted on April 10, 1968 and has been renewed on the application of Southern on a year to year basis by the CAB with the current exemption effective through May 10, 1972.

Lastly, Southern has an exemption to engage in Foreign Supplemental Air Transportation of "outsize" cargo with Lockheed Hercules L-100 type aircraft between the United States, on the one hand, and Central and South America, Mexico, Canada, Greenland, Iceland, The Azores, Europe, Africa and Asia as far east as (and including) India, on the other hand. When taken together with its certificate authority the geographic scope of Southern's outsize cargo authority is worldwide. The outsize cargo charter exemption authority was first granted February 9, 1970 and was renewed for a second year on Southern's application and is now scheduled to expire February 10, 1972. Southern will seek renewal of its outsize cargo charter exemption authority.

Operations to other parts of the world to which Southern does not hold either certificate or blanket exemption authority can only be conducted with a specific exemption from the Civil Aeronautics Board for each separate charter.

SOUTHERN AIR TRANSPORT, INC.

Points Served During First Ten Months of 1971

|                           |                        |                           |
|---------------------------|------------------------|---------------------------|
| Accra, Ghana              | Hartford, Conn.        | Palma, Majorca            |
| Amman, Jordan             | Hagerstown, Maryland   | Puerto Asis, Columbia     |
| Amsterdam, Holland        | Houston, Texas         | Port Moresby, Aus.        |
| Antigua, BWI              | Halleman AFB, N.Mexico | Paris, France             |
| Atlanta, Georgia          | Hamburg, Germany       | Port-of-Spain, Trinidad   |
| Amampara, West Irian      | Honolulu, Hawaii       | Pointe-a-Pitre, Guadelope |
| Anderson AFB, Guam        | Istanbul, Turkey       | Ponce, Puerto Rico        |
| Bermuda, Bermuda Is.      | Iwakun, Japan          | Pago Pago, Tutuila        |
| Bangor, Maine             | Kadena, Okinawa        | Recife, Brazil            |
| Boston, Mass.             | Keflavik, Iceland      | Rota, Spain               |
| Bogota, Columbia          | Kingston, Jamaica      | Rome, Italy               |
| Bangkok, Thailand         | Keita, Bouganville     | San Juan, P.R.            |
| Burbank, Calif.           | Kansas City, Kansas    | Saigon, Vietnam           |
| Buenos Aires, Argen.      | Kunsan, Korea          | San Salvador, El Salvador |
| Bombay, India             | Kwang Ju, Korea        | Sioux City, Iowa          |
| Brussels, Belgium         | Lago Agria, Ecuador    | Seattle, Washington       |
| Brisbane, Aus.            | Lafayette, La.         | Seoul, Korea              |
| Beirut, Lebanon           | Louisville, Ky.        | Shannon, Ireland          |
| Bordeaux, France          | London, England        | Santo Domingo, D.R.       |
| Buffalo, N.Y.             | Los Angeles, Calif.    | Santa Maria, Azores       |
| Biak, Indonesia           | Lima, Peru             | St. Croix, V.I.           |
| Cape Kennedy, Fla.        | Las Palmas, Canary Is. | St. Thomas, V.I.          |
| Cayenne, Fr.Guiana        | Lagos, Nigeria         | Sondrestrom AFB, Green.   |
| Caracas, Venezuela        | Long Beach, Calif.     | San Francisco, Calif.     |
| Cambridge, England        | Linz, Austria          | Singapore, Malaysia       |
| Charleston, W.Va.         | Miami, Florida         | Sal Island, Cape Verde    |
| Cincinnati, Ohio          | Minneapolis, Minn.     | Sao Paulo, Brazil         |
| Cordoba, Argentina        | Marietta, Georgia      | San Diego, Calif.         |
| Clark AFB, Philippines    | Macarena, Columbia     | Sidney, Australia         |
| Chicago, Illinois         | Madrid, Spain          | Salt Lake City, Utah      |
| Cali, Columbia            | Macon, Georgia         | Santiago, Chile           |
| Ciro Alegria, Peru        | Maracaibo, Venezuela   | Talara, Peru              |
| Dahran, Saudi Arabia      | McGuire AFB, N. J.     | Taegu, Korea              |
| Darwin, Australia         | Madras, India          | Tehran, Iran              |
| Daytona Beach, Fla.       | Manaus, Brazil         | Titusville, Fla.          |
| Dallas, Texas             | Mayaguana, Bahamas     | Travis AFB, Calif.        |
| Eleuthera, Bahamas        | Misawa, Japan          | Tocumen, Panama           |
| Frankfurt, Germany        | Naples, Italy          | Taipei, Taiwan            |
| Ft. Worth, Texas          | New York, N.Y.         | Tainan, Taiwan            |
| Fukuoka, Japan            | New Orleans, La.       | Tulsa, Oklahoma           |
| Guayaquil, Ecuador        | Neiva, Columbia        | Thule AFB, Greenland      |
| Georgetown, Br.Guiana     | Norfolk, Virginia      | Vientiane, Laos           |
| Gander, Newfoundland      | Nauskchott, Mauritania | Vanderburg AFB, Calif.    |
| Goose Bay, Labrador       | Nassau, Bahamas        | Wallops Is., Md.          |
| Grand Bahamas, Bahamas    | Ostend, Belgium        | Wake Island               |
| Grand Turk, Bahamas       | Oakland, California    | West Irian, Indonesia     |
| Guatemala City, Guatemala | Osan, Korea            | Yakota, Japan             |
| Hall Beach, Canada        | Ottawa, Canada         | Yuma, Arizona             |



